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Soviet-Romanian Relations in the Wake of the Gromyko Visit

Summary

Soviet Foreign Minister Gromyko failed to bring Romania in line with Soviet INF policy during his visit to Bucharest in early February, and the two sides evidently made little progress toward resolving long-standing disputes over bilateral trade and CEMA issues. Moscow's failure to narrow its differences with Bucharest--the Bloc's traditional maverick--lessens its chances of being able to tighten the reins on its other East European allies, particularly with regard to CEMA integration.

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1. Soviet Foreign Minister Gromyko and a large state and party delegation visited Bucharest from 31 January through 1 February for talks with President Ceausescu and other Romanian officials. The talks occurred against a background of reported Soviet concern over Romania's criticism of the USSR's INF counterdeployments and long-standing Soviet and Romanian disagreements over bilateral trade, CEMA, and Warsaw Pact issues. The Gromyko visit was part of an intensive Soviet campaign throughout 1983 designed to bring pressure on Bucharest that included three trips by Warsaw Pact Commander-in-Chief Kulikov and one by General Yepishev, the Chief of the Main Political Administration of the Soviet Army and Navy. Konstantin Rusakov, Soviet Party Secretary for Bloc affairs, accompanied Gromyko on the visit.

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The INF Dispute

2. Ceausescu has been both an obstacle and an embarrassment to Soviet efforts to line up all the Warsaw Pact states in opposition to NATO's INF deployments.

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In a 25 November statement, the Romanian Communist Party described the actions of the Warsaw Pact as well as those of NATO as steps "toward nuclear catastrophe," and appealed to both superpowers to delay their deployments and return to the Geneva talks. In December, in a move that suggested that Moscow and Washington shared responsibility for a worsening arms race, Ceausescu collaborated with Greek leader Papandreu in sending a letter to Andropov and President Reagan urging a delay in new missile sitings and a resumption of the INF talks.

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3. Gromyko made some effort to paper over the differences between the Soviet and Romanian INF positions by including in the final communique Moscow's first public acknowledgement of Ceausescu's INF initiative. After alluding to the "great importance" of two of the Warsaw Pact's arms control proposals, the communique also referred to other "new proposals" for curbing the arms race. The communique failed, however, to include a Romanian endorsement of Soviet INF countermeasures.

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4. Indications of disagreement abounded throughout the visit. During a factory tour in Bucharest, Gromyko made a very tough speech that gave only a perfunctory nod toward Soviet-Romanian relations. By repeating the Soviet view that sole responsibility for the missile deployments rests with the US and NATO, Gromyko implicitly repudiated Romania's publicly stated views on this issue.

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5. TASS also described the talks as "frank and comradely"--the standard phrase signifying disagreement--and did not publish the text of Gromyko's and Ceausescu's dinner toasts. The communique winding up the visit also was unusually terse. The clearest sign of Moscow's failure to reverse its ally's independent stance came at a dinner Ceausescu gave for Canadian Prime Minister Trudeau a few hours after Gromyko left. The Romanian leader again appealed for a cessation of both US and Soviet missile sitings and for a resumption of the Geneva talks.

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Long-Standing Points of Conflict

6. Bilateral Trade. Although INF apparently dominated the Gromyko-Ceausescu talks, trade matters--particularly Soviet exports of fuels and raw materials--also were discussed. Moscow's unwillingness to supply Romania with petroleum at the quantities and terms desired by Bucharest--and available to other CEMA members--has been a key point of friction in bilateral relations for several years. After receiving 30,000 barrels per day (b/d) of Soviet oil in 1980 and 50,000 b/d in 1981, Bucharest was allotted only 7,000 b/d in 1982 and an estimated 4,000 b/d last year. The Romanians also have been paying world-market prices rather than the reduced CEMA price, and hard currency or hard goods rather than barter or soft goods. The Bucharest regime has expressed its desire to obtain larger supplies and better terms for other raw materials as well--including natural gas, iron ore, and coking coal--most notably at the CEMA session held in Berlin last October. In a recent article, Romania's CEMA representative also appealed for stable, long-term arrangements for raw materials and energy and suggested that the price of Bucharest's deliveries of farm goods take into account the rising cost of fuels and fertilizers. [redacted]

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7. In late January, just before the Gromyko visit, the Soviets announced that they would provide Romania with about 26,000 b/d of oil per day in 1984 on the basis of an agreement signed in late 1983. Moscow granted its ally the right to buy the petroleum at the CEMA price (an average of the world price for the previous five years). This, however, no longer represents a concession since the CEMA price has now reached the world level.¹ Furthermore, the US Embassy in Bucharest reports that the petroleum is to be sold in return for either agricultural goods or oil production equipment--products for which Romania could have earned hard currency in the West. According to a Soviet trade official in Bucharest, Moscow refused to commit itself for now to any 1984 deliveries above the 26,000 b/d already promised, as Bucharest had requested during the Gromyko visit. Thus, the USSR agreed only to return to about the 1980 level of shipments and in effect held firm on price and terms. [redacted]

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¹This concession would become significant in the future, however, should the world price of oil increase. [redacted] 25X1

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8. CEMA Issues. The two sides have had several persistent differences over CEMA's treatment of Romania. Bucharest particularly disagrees with Moscow's repeated efforts to transform the organization from a loose coordinating body into a supranational planning agency; the Romanians presumably fear that allowing CEMA to determine each member's economic plan would skew industrial investment in favor of those East European states that already are industrially advanced. They also believe it would constitute an unacceptable infringement on the member states' sovereignty, and argued this point in resisting Moscow's most recent proposals, made last January, to increase CEMA integration. At last fall's CEMA session, Bucharest also criticized the organization's failure to meet Romania's raw material, energy, and technology needs and to purchase more of its finished goods. According to the US Embassy in Bucharest, Romanian complaints about the level of CEMA's raw material supplies were so blunt that they angered the Soviet side. [redacted]

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9. Judging by the final communique, the Gromyko delegation either failed to win much ground with the Romanians on the CEMA issue or devoted little effort to trying. Contentious commercial issues were passed over with bland statements that the two sides exchanged views on the importance of bilateral and intra-CEMA ties. The only reference to CEMA in the communique alluded to "production specialization and coordination" instead of "integration"--the idea Moscow has been pushing. Thus, the Soviets apparently went along with language that could be interpreted as being more to Bucharest's benefit than their own. [redacted]

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10. Military Cooperation. A recent US press report states that during his meetings with Gromyko, Ceausescu threatened to withdraw from the Warsaw Pact when the Warsaw Treaty comes up for renewal in 1985. With neither Defense Minister Ustinov nor Warsaw Pact Commander-in-Chief Kulikov accompanying Gromyko on his visit, however, we doubt that the Soviet Foreign Minister would have raised this issue during his talks with Ceausescu. We also think it unlikely that Ceausescu would have made such a threat during an apparently already contentious discussion, or that he has any intention of embarking on such a suicidal course. [redacted]

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Implications

11. The Gromyko visit failed to resolve the fundamental issues dividing the two countries. Romanian diplomatic activity since the delegation's departure demonstrates Moscow's inability to gain Ceausescu's consent even to tone down his opposition to

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its INF policy. Thus, the Kremlin was apparently frustrated in whatever hopes it may have had of gaining Romanian acquiescence to its INF countermeasures and thereby reducing the maneuvering room of the other Soviet bloc leaders on this issue. [redacted]

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12. The USSR's apparent failure to win Romanian concessions on CEMA integration could make it more difficult for the Soviets to impose their will at a CEMA summit. Similarly, the Soviets can take little comfort in the fact that they held firm on the issue of energy supplies to Romania, given the likelihood that Romania will continue seeking increased supplies and softer terms. Regardless of the state of Soviet-Romanian relations, Moscow almost certainly realizes that the other East Europeans are also likely to continue requesting large deliveries of fuel and raw materials. [redacted]

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